GOVERNMENT OF INDIA MINISTRY OF STATES

WHITE PAPER

OIV

INDIAN STATES



PRINTED IN INDIA BY THE MANAGER GOVT. OF INDIA PRESS, NEW DELHI AND PUBLISHED BY THE MANAGER OF PUBLICATIONS DELHI; 1950 Price Rs. 8-2-0 of 5s.



CONTENTS

	OCHEMIED	Pages
	Foreword to the Revised Edition	1-3
	Foreword to the First Edition	4-6
I. T	HE PROBLEM OF THE STATES-	
	East India Company's Treaty-making Activities	7
	Lord Hastings' Settlements; Policy of subordinate isolation	8
	Growth of Paramountcy	.9
	Evils of Subsidiary System	9
	The Folicy of Annexation	11
	States under the British Crown	12
	Consolidation of British Power as a unifying factor	12
	The influence of the First World War	-13
	Change in Policy towards States owing to possible constitutional developments in British India	14
	Theory of 'Personal' Relationship between the Princes and the Crown	15
II.	INDIAN STATES UNDER PARAMOUNTCY OF THE BRITISH CROWN-	
	General Survey	17
	Historical Survey	18
	Geographical Survey	19
	Political Diversity of States	20
	Three Categories of States	20
	The Chamber of Princes	20
	Treaties, Engagements and Sanads	21
	Relationship between the Paramount Power and the Indian States	22
aii	. THE STATES UNDER THE SCHEME OF THE GOVERNMENT OF INDIA ACT, 1935, AND SUBSEQUENT PLANS FOR INDIA'S CONSTITUTIONAL ADVANCE—	
	Federal Scheme of 1935	24
	Cripps' Plan	26
	Simla Conference of 1945	28
	Cabinet Mission's Plan	28
Co.	His Majesty's Government's Statement of 3rd June, 1947	31

IV	. ACCESSION OF THE STATES TO THE DO	OMINI	ON O.	F IN	DIA-	- 1	~~
	Lapse of Paramountcy		,				32
	States Department			,			32
	Necessity of a Common Centre						33
	Sardar Vallabhbhai Patel's Statement of 5th .	July 19	47				34
	Special Meeting of Princes on 25th July, 1947			ger.			35
	Successful Conclusion of Negotiations .						35
	Instrument of Accession . ,						36
	Standstill Agreement						36
	Significance of Constitutional Relationship bet and the States	tween t	he Ind	lian_E	omin	ion	36
V. 1	INTEGRATION—						
	Problem of small States						38
	Popular Movements in States						38
	Provinically Merged States	٠.					39
	Orissa and Chhattisgarh States						39
	Decean States						41
	Gujarat States						42
	Dangs and Vatrak Kantha Thana Estates	3.					42
	Sirohi						43
	Baroda						43
	States Merged in East Punjab						43
	States Merged in Madras						44
	States Merged in the United Provinces						44
	Cooch Behar						45
	Khasi Hill States						45
	Centrally Merged States						46
	Himachal Pradesh					•	46
	Bilaspur	•	•	•			47
	Kutch			•	٠		47
	Bhopal	•	•		•	•	47
	Tripura	•	•	•	•	:	48 48
	Vindhya Pradesh						48
F	ormation of Unions		•	•	•		49

(iii)

	Saurashtra .					49
	Madhya Bharat					50
	Patiala and East Funjab States Union					52
	The United State of Rajasthan					53
	The United State of Travancore and Coolin .					55
	Integration of Major States					. 57
	Progress made by the Three-fold Integration of Sta	tes .				58
VI.	DEMOCRATISATION OF STATES—					
	Absolutist Regime under the former set-up					59
	Paramount Power's Negative Attitude					60*
	-	, , , , , , , , , , , , , , , , , , , ,			•	60
	Government of India's Approach; Transfer of Powe		-		•	-
	. SETTLEMENT OF RULERS' PRIVATE PROPE	RTIES.				63 67
VII	I. CONSOLIDATION		•	•	•	68
	Sections 290A and 290B of the Government of India	Act, I	35	•	•	69
	Orders under Section 290A of the Government of In	dia Act		•		71
	Progress made in Chief Commissioners' Provinces .	٠.				73
	Progress made in the Unions of States $ \qquad . \qquad$		• .		i i	74
	Constitutional Relationship with the Centre				٠.,	76
	Indian State Forces		٠.			77
	Extension of All-India Services					79
	Exchange of Enclaves					80
IX.	FEDERAL FINANCIAL INTEGRATION-					
	Public Finance Structures of Indian States					82
	Indian States Finances Enquiry Committee					84
	Constitutional Provisions					86
	Recommendations of the Committee	•			•	86
	Internal Customs Duties			1		93
	Income tax		٠,			93
	Gradual Integration of Certain Departments .					94
	Financial Adjustments on Capital Account	• •		٠.	• 1	94
	Financial Adjustments on Revenue Account			1.		95
	Miscellaneous Matters			•	•	97
	Memoranda of Agreements				•	99
	Need for Caution				: · ·	99
	Advantages of Integrated System of Federal Finance	,				100

X. CENTRE'S RESPONSIBILITY DURING THE TRANSITIONAL PHASE.	E AG:
Administrative and Political Background of Integrated States	102
	102
Provision in Covenants regarding General Control of the Government of India	105
Procedure for exercising supervisory functions	108
XI. INDIAN STATES UNDER THE NEW CONSTITUTION.	
Procedure for the ratification of the Constitution by the States	109
Part VII of the New Constitution	111
Special Provisions regarding the State of Jammu and Kashmir	111
Establishment of Constitutional Relationship with Hyderabad State .	113
Position of Junagadh State	113
Territorial Integration	114
Judicial Integration	116
Position under the Act of 1935	117
Reorganisation of Judiciary following Integration	119
The Judiciary of States under the New Constitution	119
Privy Purse of Rulers	12)
Guarantees regarding Rights and Privileges	125
Control of the Government of India over the States during the transitional period	126
The position of the Kajpramukh	128
Recognition of Rulers	129
Essentials of the New Constitution	129
I. IN RETROSPECT—	
Nature of Treaty Chligations	133
Moral Aspect of Treatics	134
Violation of Treaty Rights under British Rule	135
Theory of Personal Contract	137
Separatist Trends encouraged by Theory of Fersonal Contract	140
Declaration of Larse of Paramountcy; a consequence of the Theory of Personal Contract	141
Inherent In practical lility of Lapse of Paramountey	141
Fundamentals of Paramountey	142
Organic Unification of India	145

APPENDICES

		PAGES
Ĭ.	Lord Reading's Letter to the Nizam of Hyderabad, dated 27th	
	March, 1926	149
II.	 Cabinet Mission's Memorandum in regard to States' Treaties and Paramountey 	153
III.	Extracts from Statement by Cabinet Delegation	154
IV.	Extract from Indian Inderendence Act, 1947	156
v.	Sardar Patel's Statement of 5th July, 1947, on Indian States	157
VI.	Lord Mountbatten's address to the Princes on 25th July, 1947 .	160
VII.	Form of Instrument of Accession	165
VIII.	Form of Instrument of Accession of Semi-jurisdictional and Non-jurisdictional States.	169
IX.	Form of Standstill Agreement	173
X.	Sardar Patel's statement of 16th December, 1947'	175
XI.	Form of Merger Agreement signed by Rulers of Orissa and Chattisgarh States	178
XII.	Mayurbhanj Merger Agreement	180
XIII.	Form of Merger Agreement signed by Rulers of Gujarat and Deccan States.	183
XIV.	Kolhapur Merger Agreement	185
XV.	The Bombay (Enlargement of Area and Alteration of Boundaries) Order 1947	188
XVI.	Sirohi Merger Agreement	190
XVII.	The States' Merger (Bombay) Order, 1950	193
XVIII.	Notification regarding transfer of jurisdiction over certain areas of Sirohi to Rajasthan.	197
XIX.	Baroda Merger Agreement	198
XX.	Sandur Merger Agreement	201
XXI.	Tehri-Garhwal Merger Agreement	203
XXII.	Benares Merger Agreement	206
XXIII.	Rampur Merger Agreement	209
XXIV.	Cooch-Behar Merger Agreement	212
XXV.	Instrument of Accession executed by Rulers of Khasi Hill States .	215
XXVI.	Agreement executed by the Federation of Khasi States	217
XXVII.	Form of Agreement signed by Himachal Pradesh Rulers	219
XXVIII.	Bilaspur Merger Agreement	221
XXIX.	Kutch Merger Agreement	223
XXX.	Bhopal Merger Agreement	226
XXXI.	Tripura Merger Agreement	220
XXXII.	Manipur Merger Agreement	232
xxxIII.	Vindhya Pradesh Merger Agreement	235
XXXIV.	Covenant for the formation of Saurashtra State	239
xxxv.	Supplementary Covenant for making the present Ruler of Nawa-	248

	(vi)	Pages
XXXVI.	Supplementary Covenant for the integration of Junagadh and cer- tain other States in Saurashtra	249
XXXVII.	Covenant for the formation of Madhya Bharat	252
XXXVIII	Nimkhera, Jamnia and Rajgarh	263
XXXIX.	Covenant for the formation of Patiala and East Punjab States Union	266
XL.	Covenant for the formation of Rajasthan	274
XLI.	Agreement for the integration of Matsya Union in Rajasthan .	283
XLII.	Covenant for the formation of Travancore-Cochin	286
XLIII.	Statement showing population and area of States affected by three- fold integration	294
XLIV.	The States' Merger (Governors' Provinces), Order, 1949	297
XLV.	The States' Merger (United Provinces) Order, 1949	304
XLVI.	The States' Merger (West Bengal) Order, 1949	309
XLVII.	The States' Merger (Chief Commissioners' Provinces) Order, 1949 .	313
XLVIII.	The States' Merger (Chief Commissioners' Provinces) Order, 1950,	315
XLIX.	Revised Instruments of Accession	317
L.	Supplementary Instrument of Accession executed by His Highness the Maharaja of Mysore.	339
LI.	The Provinces and States (Absorption of Enclaves) Order, 1950 .	341
LII.	The India and Hyderabad (Exchange of Enclaves) Order, 1950 .	355
LIII.	Agreement executed between the Rajpramukhs of Rajasthan and Madhya Bharat regarding the exchange of enclaves	362
LIV.	Proclamations issued by Unions and States accepting the New Constitution of India	365
LV.	Supplementary Covenants authorising the Constituent Assembly of India to frame Constitution for the Unions	373
LVI.	The Constitution (Application of Jammu and Kashmir) Order, 1950	378
LVII.	Agreement with H.E.H. the Nizam of Hyderabad regarding privy purse, private property and rights and privileges	384
LVIII.	Agreement with His Highness the Maharaja of Mysore regarding privy purse, private property and rights and privileges	386
LIX.	Statement showing the privy purse allowance of Rulers	388
1.	Map of India showing the position of Indian States under the new. Constitution of India	

FOREWORD TO THE REVISED EDITION

The White Paper on Indian States issued on July 5, 1948, contained a survey of the developments in respect of States during the first year of the existence of the Ministry of States. During the period of a year and a half which has followed the issue of that White Paper, the policy of integration pursued by the Government of India has made further progress. The States integrated during this period include Mayurbhanj, Kolhapur, Baroda, Rampur, Tehri-Garhwal. Benaras and Cooch-Behar, which have been merged in Provinces; Bhopal, Tripura and Manipur which have been taken over as centrally administered units; Travancore and Cochin, whose Union emerges as a new unit on the Indian map; and the remaining Rajputana States of Bikaner, Jaipur, Jodhpur and Jaisalmer which have been integrated in the reconstituted United State of Rajasthan. An outstanding development during this period has been the establishment of constitutional relationship between the Centre and the State of Hyderabad.

- 2. The process of welding over 500 diverse States into viable and sizeable units and converting them into democracies has now been carried to its final objective. This process started with the elimination of the chain of small States that severed the Provinces of Orissa and Bihar from the Central Provinces; next it solved the cross-jurisdictional puzzle of the vast assemblage of the States of Kathiawar; and, as it gathered momentum, its wide sweep covered even a number of major States. As against five hundred and odd units known as States, the new Constitution of India specifies in Part B of the First Schedule only 8* such units.
- 2. The operations for revivifying the palsied limbs of India's bodypolitic were rendered swift and smooth by the welcome realisation on the part of the Princes that in a free India it would be unpatriotic for them to cling to a legalistic stand on time-worn treaties or their anachronistic prerogatives and powers. Moving voluntarily with the times, the Princes, big and small, co-operated in exploding the myth that India's independence would founder on the rock of Princely intransigence. The edifice of democratic India rises on the true foundation of the co-ordinated effort of the Princes and the people.
 - 4. The task of reconstruction of States is not over with the signing

^{*} Of the nine States specified in Part B, Vindhya Pradesh has been removed from this category under the Constitution (Amendment of the First and Fourth Schedules) Order, 1950, issued by the Governor General on 25th January, 1950.

of the Covenants and Agreements of Merger. It was inevitable that the profound change that has come over the States should bring in its wake a crop of difficult administrative problems. Local affiliations and political habits die hard; not all the newly-established units, therefore, could be expected to settle easily in the new mould. A radical change-over from an autocratic set-up, which had been maintained for a century and a half, to a democratic order and the task of piecing together into a coordinated pattern the diverse administrative systems of integrated States could by no means be easy. In many States, even the rudiments of administrative machinery did not exist. In a number of others political and administrative institutions were to be found only in an embryonic stage. The problem, therefore, is not merely one of replacing the superstructure of the administrative systems in States; nor even of reconstructing in them the organs of State. A modern system of Government has to be built in the States and in many of them a start had to be made from the very beginning. The task requires all the patience of the bricklayer; it also requires the vision of the planner and the skill of the engineer.

- 5. The process of integration having been completed, the States now enter the phase of consolidation. As compared to integration the building up of a well-knit administration in the States and the inculcation of democratic responsibility in their people are a much harder, though less spectacular piece of work. This work has already been taken in hand. The fact, however, remains that a very considerable leeway has still to be made up in the field of bringing the administration of States to the Provincial level and ushering in a new social and economic order. To this task the Government of India are now bending their energy.
- 6. What has already been achieved is nothing short of a revolution. Except for a jar in the case of Hyderabad, this revolution has taken place so smoothly and peacefully, and we are so near in time to the events themselves, that a clear appreciation of the magnitude of this achievement may be hampered. Very few even amongst those having faith in the political integrity of the Indian people to say nothing of the prophets of evil and those who worked for India's disruption, viewing the perplexing and gigantic problem of Princely India in the anxious bewildering circumstances following the partition of India, could have conceived as possible, the revolutionary change that has come over India within a short span of about two and a half years.
- 7. The White Paper, which has now been brought up to date, carries the survey of developments in relation to States right up to the attainment

by them of their legitimate position as full-fledged constituent units of the Indian Union under the new Constitution of India. It has also been expanded to explain fully the historical setting of the problem of the States.

8. The matter contained in the Paper has been re-arranged and divided into twelve Parts. Parts I, II and III deal with the background of the problem, Part IV details the events leading up to the accession of States to the Dominion of India; Part V contains a survey of the process of integration of States; Part VI describes the process of democratisation of States: Part VII outlines the main features of the overall settlements made with the Rulers as embodied in the Covenants and Agreements of Merger; Part VIII shows the progress made in the direction of the consolidation of the gains from the administrative integration of States in the field both of the establishment of a modern system of Government in the integrated States and of the approximation of their constitutional relationship with the Centre to that of the Provinces; Part IX explains scheme of the Federal Financial Integration of States; Part X describes the nature of the Centre's responsibility during the transitional phase in respect of the States and the manner in which it is proposed to discharge this responsibility; Part XI describes the position of the States under the new Constitution; and finally Part XII surveys in retrospect the operation of the Government of India's policy of integration and democratisation of States.

March, 1950.

FOREWORD TO THE FIRST EDITION

- In the opening paragraph of its report the Butler Committee observed:

 "Politically there are......two Indias, British India,
 governed by the Crown according to the statutes of Parliament and enactments of the Indian Legislature, and the
 Indian States under the suzerainty of the Crown and still
 for the most part under the personal rule of the Princes.
 Geographically India is one and indivisible, made up of pink
 and yellow. The problem of statesmanship is to hold the two
 together."
- 2. That is how 19 years ago the problem of the Indian States presented itself to the authors of this important report on the Indian States. But were there really two Indias? And was the problem merely to hold them together?
- 3. A glance at the map showed that geographically India was one and indivisible. The territories of the Indian States were dovetailed into, and closely interwoven with, those of what was then British India. Even where the map showed solid blocks of the Indian States the territories were so irregular that the States had enclaves in the Provinces and vice versa.
- 4. The main part of the communications essential to the welfare of the whole of the country passed in and out of the territories of the Indian States. A community of interests in the wider economic field linked the States with the Provinces. If the States and the Provinces failed to cooperate in implementing policies on matters of common concern, there was a vacuum which rendered it impossible to enforce effective measures in respect of such matters in any part of the country.
- 5. The geographical set-up of the Indian States did not coincide with any ethnic, racial or linguistic divisions. The peoples of the Provinces and the States had suffered alike from the waves of foreign invasions and foreign domination. Close ties of cultural affinity, no less than those of blood and sentiment, bound the people of the States and the Provinces together.
- 6. What was it then that separated the Indian States from the rest of India? Firstly, the historical factor that unlike the Provinces the States had not been annexed by the British Government. Secondly, the political factor that the States maintained the traditional monarchical form of Government.

- 7. Did these factors, however, really segregate the States from the Provinces and create an impassable political barrier between them? The freedom of the Indian States from foreign subjugation was only relative; the Paramount Power controlled the external affairs of the States and exercised wide powers in relation to their internal matters. The whole of the country was, therefore, in varying degrees under the sway of the British Government. Besides, in the context of the demand for India's freedom the degree of control exercised by the British ceased to have any meaning. Nor was there any reason to over-emphasize the political difference between the States and the Provinces. There was nothing incompatible between the systems of governance in the Provinces and the States provided the supremacy of the common popular interests was recognised and representative and responsible Governments were established in the States.
- 8. India was, then, not only a geographical and cultural continuum but also one economic and political entity. The problem of statesmanship in that case could not merely be to hold the two Indias together. The real problem was how to bring about a clearer appreciation on the part of all political elements in India that they were heirs to the heritage of the common culture of India, and how to weld the States and the Provinces together to raise India to her full stature.
- 9. On 3rd June, 1947, the plan for the partition of India was announced and accepted by the principal political parties in India. The period of one year following that fateful day will go down as a most momentous one in India's history not only because it was during this year that India attained her freedom, but also because it has witnessed a mighty interplay of two powerful forces. One has been the disruptive force of communal exclusiveness which has led to the secession from India of certain territories and their constitution into an independent State. The other has been the revitalising and uniting force of enlightened mutual interests in a free and resurgent India which has swept away the barriers that separated the Indian States and the Provinces. How far in balance one process has set off the other is for the future to unfold.
- 10. During the recent months, a tremendous change has come over the Indian States. This change has been brought about by a process of two-fold integration, firstly, consolidation into sizable and viable administrative units, and, secondly, growth of democratic institutions and responsible governments. This bloodless revolution has been brought about, on the one hand, by the operation of democratic forces unleashed by freedom,

and, on the other, by the patriotic attitude of the Rulers who have been quick to appreciate the change.

- 11. It has been the policy of the Government of India to appropriate the sentiments and the wishes of the people and the sense of public service and patriotism of the Rulers, towards the attainment of the objective that they have had before themselves, namely, the integration, of the Provinces and the States in a strong and united India in which the peoples of the States and the Provinces would partake in the fullest measure in the enjoyment of the fruits of freedom.
- 12. The purpose of this White Paper is to present information, supported by documents, regarding the policy of the Government of India towards the Indian States and the developments that have taken place in respect of the States since 5th July 1947, when the States Department of the Government of India was set up. An analysis of the historical and political background of the problem of the States will be helpful in taking stock of the great change that has come over them during the recent months. This is contained in the first two of the four parts into which this White Paper is divided. The first part gives statistics about the States and outlines their position under the paramountey of the British Crown. The second part surveys the course of developments since the promulgation of the Government of India Act. 1935, till the Statement issued by His Majesty's Government on 3rd June, 1947. The third part deals with the events leading up to the accession of the States to the Dominion of India. The fourth part deals with subsequent developments in the direction of the integration and democratisation of the States.
- 13. This White Paper surveys the political trends and developments in respect of the Indian States generally; it does not deal with the States of Hyderabad, Kashmir and Junagadh, where the course of events has been affected by special factors.

July 5, 1948.

PART I

THE PROBLEM OF THE STATES

The problem of Indian States in the form in which it was inherited by free India, was an accident of the ascendency of British power in India. The institution of rulership had, no doubt, been a recognised feature of ancient Indian polity and the States had studded the map of India even before the advent of the British in this country. However, the Princes. their status and their possessions constituting the Indian States system. as it was stabilised under British rule, were all evolved during the first two decades of the 19th century as a concomitant of the rise of British power in India. It was during this period that a "strange and unknown volcanic force made its way through the soft and yielding strata of Indian society" and "crystallised" Indian States into the form in which they were found at the time of the withdrawal of the British from India. The process of re-moulding the States structure was practically completed as garly as 1819 and the framework of this structure was sustained in all its essentials all through the remaining 130 years of British rule in India. The problem of Indian States was an inevitable consequence of a system which virtually brought history to a standstill in a multitude of isolated principalities forming about two fifths of the territory of India and scattered over the whole of this sub-continent.

East India Company's Treaty-Making Activities

- 2. The first phase of the East India Company's treaty-making activities, which may be said to have extended from 1757 after the victory of Plassey to the close of the first Lord Minto's Governor-Generalship in 1818, was, generally speaking, marked by a desire to confine British interests to trading in and around the territories in which the British possessed settlements. During this period, the Company was struggling for a foothold in India and it recoiled from the expense and danger of extending its commitments beyond the ringfence of its own territorial acquisitions.
- 2. To the policy of non-involvement, the treaty-making career of Wellesley formed an exception. Wellesley came to India "inspired with imperial projects". "From the first he laid down, as his guiding principle, that the British must be the one paramount power in India, and that nutive Princes could only retain the personal insignia of sovereignty by surrendering their political independence." The Subsidiary System introduced by Wellesley contained in it the essentials of the framework of States as it was developed and maintained under British Rule. From the British point of view, the system had distinct advantages. It ensured the

fidelity of the State by the presence of the subsidiary force maintained by the Company at the cost of the State; it enabled "the British to throw forward their military considerably in advance of their political frontier". The system contributed to the breakdown of the internal independence of the States on which it was imposed and paved the ground for advance-towards paramountey.

Lord Hastings' Settlements: Policy of Subordinate Isolation

- 4. In the second phase which lasted from 1813 to 1857, larger schemes of Empire dawned upon the horizon and dominated the policy of the Company's agents. The march of events in India was leading up to an itevitable swing of the pendulum in the direction of the emergence of the British as the dominant power in India. It was no longer part of prudence to refrain from expansionist or imperial projects. The feudatory system, which may be distinguished from the protected alliance, came into existence with the changed conditions which, after the elimination of the Maharatta power, placed the Company in a position of unquestioned supremacy in India. The considerations underlying the new policy were set out by Metcaffe, one of the principal architects of the British Empire in India, in a letter written in 1816. The passage runs:
 - "They said that some power in India had always existed, to which the peacable States submitted, and in return obtained protection against the invasion of upstart Chiefs and the armies of lawless banditti; that the British Government now occupied the place of that protecting power and was the natural guardian of weak States......."
- 5. The policy of "the ringfence" now gave way to what Lee Warner describes as the policy of "subordinate isolation". From now onwards the place of treaties of mutual amity, friendly co-operation and reciprocal robligations was taken by treaties exhorting co-operation, allegiance and loyalty.
- 6. The new policy found its expression in the settlements made by the Marquis of Hastings under which the Princes virtually assumed the form in which they were found at the end of British rule in India. By the end of 1819 all States were caught in the wide net of treaties and engagements of subordinate co-operation. The protection guaranteed to the Princes by the British stabilised their position and the surviving States were saved from further disintegration or absorption.

Growth of Paramountcy

7. The principle of paramountcy although elaborated as a political doctrine later was clearly and vigorously asserted during this period. Wellesley was the first Governor-General to feel and act as the Paramount Power and his paramountey complex was reflected in the attitude of his immediate subordinates. Of the East India Company, Metcalfe wrote in 1806: "Sovereigns you are, as such must act". During the regime of Lord Hastings, the relative position of the parties changed "too decidedly to be governed merely by the written words of treaties". The first clear enunciation of the idea of paramountcy is to be found in Ochterlony's letter to Metcalfe, dated March 21, 1820, in which he writes: "I hope His Lordship will in Virtue of his Power and Paramountcy forbid all future invasions of Surhoie and fix himself a sum which the Rajah must take". In his Minute, 1825, Metcalfe speaks of the fact of paramountey by which the British Government had itself the "duty as supreme guardians of general tranquillity, law and right to maintain the legal succession". Thus, as early as the first quarter of the 19th century, Metcalfe and Ochterlony had evolved the full doctrine of paramountey in a form indistinguishable from that held by Lord Reading in his famous: letter to the Nizam. (Appendix I.)

Evils of Subsidiary System

8. The Subsidiary System of alliance which guaranteed to the Rulers-their position and their possessions not only against external aggression but also against rebellion, revolution or opposition on the part of their subjects, removed all incentive for good government. Insured against the consequences of misrule, the Princes no longer found it necessary to cultivate the goodwill of the people or to maintain efficiency of administration. On the evils of the Subsidiary System, Thomas Munroe wrote as follows:—

"It is the natural tendency to render the Government of every country in which it exists, weak and too oppressive; to extinguish all honourable spirit amongst higher classes of society, to degrade and impoverish the whole people. The usual remedy of a bad Government in India is a quiet revolution in the palace, or a violent one by rebellion. But the presence of the British Force cuts off every chance of remedy by supporting the Prince on the throne against any foreign and domestic enemy: It renders him indolent by

teaching him to trust to strangers for his security; cruel and avaricious by showing him that he has nothing to fear from the haired of his subjects. Wherever the subsidiary system is introduced, the country will soon bear the mark of it in the decaying villages, a decreasing population.

9. In every State which came under subsidiary alliance, its influence had the same baneful effect. The situation deteriorated to such an extent that the London Times in a leading article described it thus in 1953:—

"We have emancipated these pale and ineffectual pageants of royalty from the ordinary fate that awaits oriental despotism This advantage (of securing able and vigorous Princes through rebellion) we have taken away from the inhabitants of the States of India still governed by Native Princes. It has been well said that we give these Princes power without responsibility. Our hand of iron maintains them on the throne despite their imbecility, their vices and their crimes. The result is, in most of the States, a chronic anarchy, under which the revenues of the States are dissipated between the mercenaries of the camp and the minions of the Court. The heavy and arbitrary taxes levied on the miserable raiyats serve only to feed the meanest and the most degraded of mankind. The theory seems in fact admitted that the Government is not for the people but the people for the King, and that so long as we secure the King. his sinecure royalty, we discharge all the duty that we, as Sovereigns of India, owe to his subjects who are virtually ours".

10. During the period following the retirement of Lord Hastings, the influence of the Company over the internal administration of the States rapidly increased, and the Company's Residents got gradually "transformed from diplomatic agents representing a foreign power into executive and controlling officers of a superior Government". The Residents assumed so much of authority that Colonel Macaulay wrote to the Raja of Cochin:

"The Resident will be glad to learn that on his arrival near Cochin, the Raja will find it convenient to wait on him".

Yet in spite of the increasing interference by the Company in the internal affairs of the States, little was done to mitigate the evils of the

Subsidiary System and the political system based on it. Conscientious statesmen viewed the corruption and tyranny which the Subsidiary System brought in its wake with concern. Mill from his detached position in the India Office advocated the abolition of States. To unscrupulous political adventurers the system provided a happy hunting ground for exercising "power without responsibility" and playing havoc with public funds. There were others who looked upon the States as a safety valve for the 'ignoble elements' of the Indian population, and tolerated with cynicism this scandalous state of affairs.

The Policy of Annexation

- 11. The policy of annexation, which was initiated with the annexation of Coorg in 1834, had, as one of its professed objectives, the mitigation of the evils of the Subsidiary System. It was contended that if a scrupulous avoidance of interference in the internal affairs of a host of States was to remain an essential factor in the political system of India then annexation was the only corrective. The new trend found expression in the directive issued by the Directors in 1841: "to persevere in the one clear and direct course of abandoning no just and honourable accession of territory or revenue". The expansion of the Company's dominion in India. was sought to be justified not only on the ground of ensuring better Government for the people but also for the protection of the Empire against invasion. Every excuse was now good enough to annex the territories of the States. The accretion of the Punjab and Sind by conquest was sought to be justified by imperial considerations. Satara, Nagpur and Jhansi were annexed by the application of the doctrine of lapse. Coorg and Oudh were annexed by the exercise of the old Moghul right of annexation for gross meladministration. Oudh, "whose wretched Princes were so absolutely loyal that no excuse could ever be imagined for depriving them of their power", was annexed because, in the words of Dalhousie, "the British Government would be guilty in the sight of God and man if it were any longer to aid in sustaining by its countenance an administration fraught with suffering to millions".
- 12. "Annexation", writes Lee Warner, "was not a mere incident arising from the peculiar views of a single Governor-General or from a temporary reaction against the king-making policy of the previous administration". It was a distinct policy, clearly enunciated and understood by the Court of Directors in England and the Company's agents in India. The policy, of which Dalhousie was the principal exponent, operated towards completing the work of Wellesley and Hastings. Whatever may

have been the considerations underlying the policy of annexation, it had a clear and distinct objective, viz., the extension of the Company's dominion by absorbing "the mischievous anomalies" represented by the "yellow patches" on the map of India.

States under the British Crown

13. The Mutiny and great revolt of 1857 demonstrated the value of the "yellow patches" to the British Government. Except for some miner defections, the Indian Princes not only remained aloof from the rising but, in certain cases, extended effective assistance to the British to suppress it. Canning gratefully acknowledged the role of the States as "breakwaters in the storm which would have swept over us in one great wave". "Where should we have been now", wrote Elphinstone with his characteristic frankness "if Scindia, the Nizam and the Sikh chiefs. etc.. had been annexed, the subordinate Presidencies abolished, the whole army thrown into one and the revenue system brought into one mould". It was now realised that the States could play a most helpful role as a bulwark against the forces of Indian nationalism. This led to a radical change in the British policy towards the States. The new policy found expression in 1858; Queen Victoria's proclamation promised, "We shall respect the rights, dignity and honour of native Princes as our own". In 1861, Sanads were issued which guaranteed the Princes, big and small, their status and acknowledged their right of adoption. These sanads were intended to remove mistrust and suspicion and "to reassure and knit the native sovereigns to paramount power". No more was heard of annexation as the only means of granting the "blessings" of civilised government to "the suffering millions". Under the new system described as that of "subordinate union", the supreme power accepted its moral responsibility for a minimum of good government, security, law and order within the territories of the Indian States. The system basically differed but little from the earlier system of subordinate isolation. However, the policy of "cutting the knot which the political practice had failed to untie" so vigorously pursued by Dalhousie, now gave way to a policy of mere window dressing.

Consolidation of British power as a Unifying Factor

14. The new policy aimed at consolidating not the territories but the powers of the British Government. This involved a process of infiltration into the States, mainly in the economic field, without annexing their territories. Some projects could be undertaken only on a national scale. The lines of communications, the railways and posts could develop only

on a national basis. The one feature which distinguished the British negotiations with the Princes during this period from those which preceded the Great Rebellion, is, the larger attention given to matters of common interest such as communications, currencies, tariff and other fiscal policies, reghts and sources of irrigation, extradition, extra-territorial jurisdiction etc. In many of these matters, co-ordination of development policy as between British India and the States was secured either by the execution of formal documents or informal exchange of assurances. It was during this period that on the basis of usage, sufferance and conventions, the edifice of political practice was built up. Paramountcy provided British power an elastic instrument for regulating the relations with the Princes and between British India and the States. It was through paramountcy that the British brought about some kind of working arrangement between the two parts of India and enforced a measure of administrative and economic unity over the country.

15. Paramountcy of the British Crown, as British ingenuity developed it, was the coping stone of the imperial edifice in India. It constituted at once a link and a barrier. On the one hand, it provided a nexus between British India and States and thereby integrated the economic and administrative life of the country. On the obverse side, it drove a wedge between the two parts of India. The policy of "Hands off the Indian States" in British India with its reciprocal implication of "Hands off British Indian concerns" for States, which reared up high walls of isolationism around the States, could be made effective only by the operation of paramountcy.

The Influence of the First World War

16. The growing impact of modern conditions of life was breaking down the isolation of States from one another and from the rest of India and the States began to be drawn into the vortex of questions, mainly econosmic, which concerned India as a whole. The influences which were working to increase the range of matters in which there was need for a common policy and common action between the Provinces and States gathered momentum during the first World War. The war necessitated the mobilisation of the resources of the entire country; the organisation of the country's war-effort involved closer co-ordination of administrative activity in States as well as Provinces. During the stress of the War, the emphasis was on unity, unity of the British Empire as a whole, on the one hand, and unity between British India and Indian States on the other. The War, therefore, greatly accelerated the imperceptible process

of infiltration into the States and brought them nearer to what was then British India.

Change of Policy towards States owing to possible Constitutional Developments in British India

17. Until towards the last phase of the first World War. Indian nationalism had not developed into a real challenge to foreign rule in India, nor until then had the grant of responsible Government to British India been viewed as a real possibility. Up to 1909, the position was that such reforms as were introduced were purely administrative and the view expressed by Dufferin in 1888 that "England should never abdicate her supreme control of public affairs" firmly held the field. The objective of the Minto-Morley reforms was not the eventual grant of responsible Government, but the establishment of what Minto described as "a constitutional autocracy". The authors of the reforms scheme of 1909 put it beyond doubt that no parting of power was contemplated. "I am no advocate of representative Government for India in the Western sense of the term" Minto clearly stated. "As heirs to a long series of Indian rulers", he went on to say, "we are bound to reserve to ourselves the ultimate control over all executive action and the final decision in matters of legislation". Morley was equally clear regarding the limited objective of the reforms of 1909. "If it could be said" he stated in the House of Lords, "that this chapter of reforms led directly or necessarily to the establishment of a parliamentary system in India, I for one would have nothing at all to do with it". He was as emphatic on this point in private as in public. "Not one whit more than you", he wrote to Minto, "do I think it desirable or possible or even conceivable, to adapt English political institutions to the nations who inhabit India".

18. When the authors of the reforms scheme of 1909 thus ruled out the establishment of a parliamentary system in India, they reckoned without the momentus events which the following decade held in its lap. The Great War of 1914-18 accelerated the march of history and inevitably affected the temper of Indian nationalism. The demand for self-Government now became more and more insistent and the principle underlying the Minto-Morley Reforms became patently out of tune with the times. What was considered inconceivable in 1909 became the accepted goal of the British policy in India in 1917. Montagu's announcement of August 1917 accepted for the first time the objective of "gradual development of self-governing institutions with a view to the progressive realisation of self-Government in India as an integral part of the British Empire".

19. After the introduction of Montagu-Chelmsford reforms, the Swaraj movement fired the imagination of the people and deepened the anxiety of the alien rulers of India to neutralise, or at least to isolate, the growing upsurge of Indian nationalism. This marked the beginning of the policy of utilising the services of States for organising a counter-revolution.

Theory of 'Personal' Relationship between the Princes and the Grown

20. Ever since the East India Company entered into treaty relations with the States, the whole of India had been treated as one unit and the Court of Directors and the British Parliament had functioned in India through the Government of India which exercised suzerainty over the States. Both before and after the transfer of the Company's dominion to the British Crown relations of the States were both in constitutional theory and in actual practice with the Governor-General in Council. The Minto-Morley Reforms made provision for the appointment of a non-official Indian as a Member of the Governor-General's Executive Council; after the Montagu-Chelmsford Reforms there were at least three Indians continuously serving on this Council. The Executive Council in this way lost its entirely Eritish character and to some extent its bureaucratic character also became attenuated. The change did not affect the position of the Central Executive vis-a-vis the Indian States.

21. The relationship of the States with the Government of India had now to be reviewed in relation to possible constitutional developments in British India. It was thought that growing administrative unity between the States and the rest of India would detract from their role as breakwaters. An attempt was now made "to convert the Indian States into an Indian Ulster by pressing constitutional theories into service". It was in this context that the theory of the Crown as the sole link between the Central Government and the States was systematically developed. The Butler Committee while summarily turning down the request of the Princes for a definition of the scope of paramountcy and codification of the political practice readily agreed with the Counsel of the States that "the relationship of the States to the paramount power is a relationship to the Crown and that the treaties made with them are treaties made with the Crown and that those treaties are of a continuing and binding force as between the States which made them and the Crown". Of all the demands made by the Princes, the Butler Committee clearly and forcefully recognised only one, that for making any transfer of the Crown's rights and

obligations in relation to States to persons not under the Crown's authority, conditional on the agreement of the States. In paragraph 58 of the report, the Committee said:

"The States demand that without their own agreement, the rights and obligations of the Paramount Power should not be assigned to persons who are not under its control, for instance, an Indian Government in British India responsible to an Indian Legislature. If any Government in the nature of a dominion government should be constituted in British India, such a government would clearly be a new government resting on a new and written constitution. The contingency has not arisen;.....We feel bound however to draw attention to the really grave apprehension of the Princes on this score and to record our strong opinion that in view of the fact of the historical nature of the relationship between the Paramount Power and the Princes, the latter should not be transferred without their own agreement to a relationship with a new government in British India responsible to an Indian Legislature".

22. The new concept of personal relationship between the States and the Crown found expression in the Act of 1935 and drove further the wedge between the States and the rest of India. Paramountcy which had become "the method by which the executive of British India aggrandized itself at the expense of the Indian States" now set in motion the reverse process of depriving the British Indian Executive of all constitutional status vis-a-vis the States. In complete disregard of patent historical facts and the established constitutional procedure, a new functionary, the Crown Representative, was now brought into existence to conduct the relations of the Crown with the States. The relations between the States and the Government of India were hereafter to be through the circuitous route of the Crown Representative. At one stroke of the pen, the States were "delinked" from the Governor General in Council and "pegged" to the British Crown. The policy of balance and counterpoise thus forged for the imperial political armoury another formidable weapon, the problem of the States.

INDIAN STATES UNDER PARAMOUNTCY OF THE BRITISH CROWN

General Survey

- 23. Sub-section (1) of Section 311 of the Government of India Act, 1935, as originally enacted, defined 'Indian State' as including "any territory, whether described as a State, an Estate, a Jagir or otherwise, belonging to or under the suzerainty of a Ruler who is under the suzerainty of Elis Majesty and not being a part of British India". In political practice the term applied to a political community occupying a territory in India of defined boundaries and subject to a common Ruler who enjoyed or exercised, as belonging to him, any of the functions and attributes of internal sovereignty duly recognised by the Paramount Power.
- 24. The Butler Committee and the Simon Commission applied this elastic term to 562 units, whereas the Joint Parliamentary Committee on Indian Constitutional Reforms referred to 600 units as States. The term covered, at one end of the scale, units like Hyderabad and Kashmir which were of the size of the United Kingdom, and at the other end minute holdings in Kathiawar extending only to a few acres.
- 25. Out of the total area enclosed within the territories of pre-Partition India, i.e., 1,581,410 square miles, the Indian States covered an area of 715,964 square miles, which constituted about 45 per cent. of the total Indian territories. In post-Partition India, the area covered by the States geographically contiguous to India was reduced to 587,949 square miles, being about 48 per cent. of the total area of the Dominion of India, vis. 1,221,072 square miles. The State of Jammu and Kashmir with a territory of \$4,471 square miles and the Hyderabad State closely following it with a territory of \$2,813 square miles constituted the largest territorial units amongst the States. There were 15 States which had territories of more than 10,000 square miles and 67 having territories ranging from 1,000 to 10,000 square miles. There were 202 States each having an area of less than 10 square miles.
- 26. The total population of the States according to the census figures of 1941 was 98.2 millions, constituting about 24 per cent. of the total population of pre-Partition India, namely, 389 millions; after Partition the total population of the Dominion of India was reduced to 318.9 millions

and of the States within the geographical orbit of the Indian Dominion to 89 millions changing the relative population ratio of the States from 24 per cent. to 28 per cent.

27. In pre-Partition India 16 States had a population of over one million. These 16 States plus 4 others with a population of more than 750,000 but less than a million were assigned individual representation in the Constituent Assembly of India. These 20 States claimed 60 seats in the Constituent Assembly as against 38 seats assigned to the rest of the States; of these 20 States, 11 were entitled to send two or more representatives. Of the rest 13 had a population between 500,000 and 750,000. The remainder of the 140 States which were members of the Chamber of Princes in their own right, had a population ranging from 25,000 to 500,000.

28. The distribution of the principal communities over the territories of the States in post-Partition India showed that 27 per cent. and 26 per cent. respectively of the total population of Hindus (including Scheduled Castes) and Muslims were to be found in the States. In the case of the Sikhs and Indian Christians, however, the percentage was much higher; the States claimed 50 per cent. of the Indian Christians and 36 per cent. of the Sikhs residing in the Domnion of India. The corresponding figures for pre-Partition India were: Hindus 25 per cent., Muslims 16 per cent., Indian Christians 46 per cent. and Sikhs 27 per cent.

20. The revenues of the States, which in numerous cases did not reflect their relative areas and population, showed equal disparity. Nineteen States had a revenue of rupees ten millions or more a year; seven had revenue ranging between five to ten millions and the figure descended gradually till in the case of petty principalities it showed a revenue approximating to an artisan's average wages.

Historical Survey

30. Historically the main common feature that distinguished the States from the Provinces was that the States unlike the Provinces had not been annexed by the British. In their individual origin, however, the evolution and growth of States represented different processes. Firstly, there were the old established States, such as those in Rajputana, which were in existence before the main waves of foreign invasion took place. Another class consisted, mainly of the States with Muslim dynasties, which were

founded by the nobles or the Viceroys of the foreign invaders. Then therewere the newer States, which the British recognised during the final stages of the consolidation of their power.

Geographical Survey

31. Geographically the States were scattered over every portion of the map of India. The yellow and pink map of pre-Partition India showed the Baluchistan States and the States of Kashmir and Sikkim (the last one sometimes shown in pale green to indicate that unlike other States it was under the External Affairs Department) on the frontiers of India. It showed in the north-east Cooch-Behar within the territories of the Bengal Province and the Manipur State surrounded by the territories of the Province of Assam. Southwards in the eastern portion of India the next block of Indian State territory was to be found in a chain of small States, which were known as the Chhattisgarh and Orissa States. Further south figured the States of Hyderabad and Mysore, the latter a unit larger than the Irish Free State and having twice its population. Facing the Indian Ocean farther southwards still were the two densely populated States of Cochin and Travancore. Northwards up the west coast, and both on the coast and inland, were to be found various States mainly of the Maharatta period, the largest of these being Kolhapur. The chain of States ended with the State of Baroda made up of several separate areas to the north of Bombay Presidency. Further to the north-west lay the extremely numerous assemblage of States and Estates included in the Western India States Agency, of which the better known were Kutch. Nawanagar, Bhaynagar and Junagadh. To the north-east of Bombay, separating Bombay and the Central Provinces from the United Provinces. lay the main mass of Central India States which included Gwalior, Indore and Rewa. The northern and north-western portion of Bombay was divided from the Punjab by the wide area of Rajputana States. Among the States of this group, which constituted the largest unit of Indian States, were the important Rajputana States of Bikaner, Jaipur, Jodhpur and Udaipur. In the United Provinces were to be found the isolated States of Tehri-Garhwal, Rampur and Benares. To the north-west were the Punjab States including Patiala stretching up to Simla and the States of Jind, Nabha and Kapurthala; and a number of smaller States. Further west appeared the State of Bahawalpur. The State of Khairpur lay in the geographical orbit of Sind.

Political Diversity of States

32. The internal administration of the States and their political set-up varied greatly. There was a very wide difference in the degree of administrative efficiency reached by the most advanced and the most backward. According to the information circulated by the Chamber of Princes in 1946, over 60 States had set up some form of legislative bodies. In several others, schemes for associating people with the governance of their States were under consideration. In most of the cases, the development of representative institutions did not approximate to the growth of self-governing institutions in the Provinces, which were on the threshold of complete freedom. However, everywhere there was a growing consciousness of the rights and liberties of the people and a new spirit was abroad.

Three Categories of States

- 33. According to the Butler Committee the Indian States as they existed could be classified into three distinct categories:—
 - (i) States, the Rulers of which were members of the Chamber of Princes in their own right. 108 in number.
 - (ii) States, the Rulers of which were represented in the Chamber of Princes by 12 members of their Order elected by themselves. 127 in number.
 - (iii) Estates, Jagirs and others. 327 in number.

The first category included the Ruling Princes who enjoyed a permanent dynastic salute of 11 guns or more, together with other Rulers of the States who exercised such full or practically full internal powers as, in the opinion of the Viceroy, qualified them for individual admission to the Chamber. As a result of fresh admissions, the membership of the Chamber was enlarged to 140.

The Chamber of Princes

34. The Chamber was a deliberative, consultative, and advisory body, which was brought into being by a Royal Proclamation on 8th February, 1921. The Proclamation stated: "My Viceroy will take its (the Chamber's) counsel freely in matters relating to the territories of the Indian States generally, and in matters that affect those territories jointly with British India, or with the rest of My Empire." The establishment of the Chamber did not affect the individual relations between any State and the Crown.

but it involved a deviation from the earlier policy under which the Crown discouraged joint action and deliberation between the Indian States.

Treaties, Engagements and Sanads

- 35. There were 40 States which had treaties with the Paramoung Power. A larger number of States had some form of engagements or Sanads, i.e., acknowledgment of concession or authority or privileges generally toupled with conditions proceeding from the Paramount Power. The remainder enjoyed in some form or other recognition of their status by the Crown. More than two-thirds of the population of Indian States was to be found in the States governed by treaties.
- 36. The Treaties, Engagements and Sanads covered a wide field. The more important of them related to mutual amity and defensive alliance. These generally provided for territorial integrity, internal sovereignty and protection of States; prohibition of external intercourse and mutual aggression; the right of the British Government to advise in certain circumstances; and in some cases payment of tribute.
- 87. A number of them dealt with allied matters such as exchange, cession and gift of territories; cession of jurisdiction for railway and other purposes; cantonments and Imperial Service troops.
- 38. The Treaties dealing with important financial and economic matters included Postal and Portal Conventions, currency and coinage arrangements, engagements for opium, salt agreements and arrangements for exchange of postal correspondence, telegraph and telephone lines.
- 39. Lastly, there were miscellaneous agreements such as those relating to certain trade arrangements, construction of canals, leasing of forests and construction of waterways.
- 40. The rights and obligations of the States arising out of these agreements varied from State to State. Thus for instance so far as the arrangements for exchange of postal correspondence were concerned five States were entitled to maintain separate postal systems and they had Conventions with the Government of India which provided inter alia for mutual exchange of correspondence, parcels, money orders, etc. Ten other States were entitled to maintain separate postal systems but had no postal agreements with the Government of India. Twenty-seven States were entitled to receive service stamps free of cost. In six States official correspondence passing within the State and intended for delivery within it was carried free of charge by the Postal Department of the Government of India.

Relationship between the Paramount Power and the Indian States

- 41. As already stated the paramountcy of the British Crown was not co-extensive with the rights of the Crown flowing from the Treaties. It was based on Treaties, Engagements, Sanads as supplemented by usage and sufferance and by decisions of the Government of India and the Secretary of State embodied in political practice. The rights that the Paramount Power claimed in exercise of the functions of the Crown in relation to the States covered matters both external and internal.
- 42. For external purposes State territory and State subjects were, for all practical purposes, in the same position as British territory and British subjects. The States had no international life and in consequence of the loss by them of their power of negotiation and legation, the Paramount Power had the exclusive authority of making peace or war or negotiating or communicating with foreign States. The rights and duties assumed by the Paramount Power in regard to external affairs carried with them consequential rights and duties. The Paramount Power was responsible for implementing its international commitments; the Princes were required to give effect to the international obligations entered into by the Paramount Power.
- 43. The right of intervention in internal affairs could be exercised for the benefit of the Ruler of the State, of India as a whole, or for giving effect to international commitments. The authority of the Paramount Power could thus be interposed inter alia for the prevention of dismemberment of a State, the suppression of a rebellion against the lawful sovereign, the prevention of gross misrule, the economic growth of the whole of India, checking inhuman practices or offences against natural law or public morality.
- 44. The Paramount Power was responsible for the defence of both British India and the Indian States and exercised full control over all matters connected with defence, such as the establishment of cantonments, the regulation of the strength of the armed forces of the States, the procurement of supplies, free passage of troops, supply of arms and ammunition, etc.
- 45. Lastly, the Paramount Power claimed certain important rights as derived from the Royal Prerogative. These included the exclusive right to settle precedence and to grant honours; to regulate ceremonies; to recognise all successions and to settle disputes as to succession; to impose or remit nazarana or succession duties; to take charge of the States of

minors and to provide for their education; and to impose the duty of loyalty to the Crown.

46. Paramountcy thus made serious incursions into the internal sovereignty of the States and it was natural that the Rulers should seek codification of the political practice. The appointment of the Indian States Committee in 1927 to report upon the relationship between the Paramount Power and the Indian States was an outcome of these efforts. The Committee, however, found it impossible to evolve a formula which would cover the exercise of Paramountcy. It expressed the view that "Paramountcy must remain paramount; it must fulfil its obligations, defining or adapting itself according to the shifting necessities of the time and the progressive development of the States".

Such was the political set-up of the Indian States under the Paramountey of the British Crown.

PART III

THE STATES UNDER THE SCHEME OF THE GOVERNMENT OF INDIA ACT, 1985, AND SUBSEQUENT PLANS FOR INDIA'S CONSTITUTIONAL, ADVANCE

Federal Scheme of 1935

- 47. The federal scheme embodied in the Government of India Acg. 1935, was the first effort to provide for a constitutional relationship between the Indian States and the Government of India on a federal basis. One of the special features of this scheme was that, whereas in the case of the Provinces accession to the Federation was to be automatic, in the case of the States accession was to be voluntary and the establishment of the contemplated Federation was conditional on the accession of States entitled to fill not less than 52 seats in the Council of State, and having an aggregate population of not less than one half of the total population of the States.
- 48. The accession was to be effected by the King's acceptance of an Instrument of Accession, the terms of which made it clear that the Act asserted no authority over the State save such as flowed from the Ruler's freely-executed Instrument. The Instrument, which was to be the over-riding document, was to govern the accession and had to specify the matters on which the Federal Legislature was to have power to legislate for the State, and any limitations subject to which the legislative and executive power of the Federation was to be exercised in relation to that State.
- 49. The Instruments were to provide that a number of provisions of the Act, which were specified in the Second Schedule to the Act, might be amended without affecting the accession of the States, but no such amendment was to extend, unless accepted by the Rulers concerned, by means of supplementary Instruments, the functions exercised by any federal authority in respect of the States. Thus apparently any change in the basic structure of the Federation or any amendment materially altering provisions such as those relating to the position of the Governor-General in respect of External Affairs and Defence would have affected the accession of the States.

constituent unit and another. Thus, whereas in the British India sphere of the proposed Federation, the whole field of legislative activity was mapped out by the Act between the Federal Legislature in British India, and the Provinces of British India, and residual powers in the British India sphere of the proposed Federal Legislature were to vest either in the Federal Legislature or the Provincial Legislature at the discretion of the Governor-General, in the case of the States, federal powers alone were enumerated and the residuary powers remained with the States. Even so, the States were not required to accede on all matters specified in the Federal List; their acceptance of the various entries in this list could be made subject to such limitations as might be specified in the Instruments of Accession. Unlike the Provinces they were also to have concurrent jurisdiction in respect of matters specified in the Federal List, subject to the over-riding power of the Federal Legislature.

- 51. In the executive field too, the authority of the Federation, in its application to the States, was to be correspondingly circumscribed. The executive authority of the Federation was further sought to be limited by reservation of executive powers by the Rulers in their Instruments of Accession for which authority was found in Section 8(1)(c)(ii) of the Act. This implied the introduction into the Act of a theory of division of powers in the federal sphere itself. This was an arrangement patently antifederal in the sense that it was utterly contrary to the principle of division of powers, legislative, executive and judicial found in every other federal constitution.
- 52. In the fiscal field also, there was no uniformity as between the States and the Provinces. The States were required to accede on very limited number of items such as customs and excise duties, corporation and salt taxes. Even in this field, there was a concession to the demand made by the States that they should contribute to the federal fisc in the form of indirect taxes only, enabling the States to pay appropriate contribution in lieu of taxes such as corporation tax. The unevenness of financial burden was inevitable in a set-up in which some of the federating units retained control over federal subjects such as armed forces and railways, etc.
- 53. In the judicial field also the jurisdiction of the Federal Court over the States was extremely limited. Internal constitution of the States was no concern of the framers of the Scheme of 1935. The fundamental rights which are the foundation of a democratic, State, found no place in

the scheme. Even for the purposes of representation on the Federal Legislature, Rulers, and not the people, were to fill the seats allocated to the States. The Instruments of Accession were to guarantee the sovereignty and the rights of the Rulers and the Act excluded from its purview the "rights and obligations of the Crown in relation to the States". In fact, in spite of the provision in the Act authorising the Governor-Geneval, to issue directives to the Rulers for the enforcement of the federal obligations of the States, it was thought that paramountcy would provide the ultimate sanction for the enforcement of the federal authority in the States. The scheme of 1935 thus lacked essential elements of a federal constitution. Lord Meston likened this scheme to the 'mixing of oil with water'. It was indeed no more than a mark-time plan which, had it been adopted, might or might not have paved the way for a full-fledged federal project.

54. The promulgation of the Act of 1985 was followed by protracted negotiations during the course of which the draft of the Instrument of 'Accession underwent several changes for the worse. However, till September 1939 when the suspension of negotiations was announced, the establishment of the contemplated Federation was not in sight. To the Princes much of the essence of Federation appeared to turn out to be the negation of all to which they had been accustomed. Their approach to the problem was governed by the view that their accession to Federation involved a process of levelling down so far as their internal sovereignty was concerned, as against the Provinces which were to be levelled up as autonomous units and that, therefore, the Provinces and States could not be treated alike. On the other hand, progressive public opinion in British India hardened against the apparent effort of the Princes to whittle down the content of their accession to a farce no less than against such reactionary features of the federal scheme as the installation of dyarchy at the Centre in the form of the reserved subjects in the hands of the Governor-General e.g. Defence and External Affairs. In the meantime, dim League veered round to a position of determined hostility to all -constitution plans which envisaged a common Centre for the whole of India. Finally the reactionary elements had their way and the federal scheme of 1935 proved still-born.

Cripps Plan

55. With the abandonment of the federal scheme, which was announced by Lord Linlithgow on 11th September, 1939, the policy underlying the scheme, that the transfer of responsibility at the Centre should be conditional on the participation of the Rulers of Indian States, underwent a

change. This was evident from the position assigned to the States in the next important announcement on the constitutional set-up of India, viz., the draft declaration known as the Cripps Plan.

- 56. The immediate purpose of the Cripps Mission was to induce the British Indian Party leaders to agree to share the responsibilities of the Central Government in which the States were not required to participate. The main reason for proposing the scheme for constitution-making was to promote such an agreement. The draft Declaration therefore primarily concerned itself with British India. It promised the non-acceding Provinces, if they so desired. "the same full status as the Indian Union", but as regards the States it only stated that, whether or not a State adhered to the new Constitution it would be "necessary to negotiate a revision of its treaty arrangements so far as they may be required in the new situation".
- 57. The Cripps Plan, as it stood, seemed to differentiate between the Provinces and the States in applying the principle of non-adherence. Attention to this apparent discrepancy was drawn in a memorandum submitted to Sir Stafford Cripps by the Delegation of Indian States in which it was urged that non-adhering States or a group of States should have the right to form a Union of their own with full sovereign status in accordance with a suitable and agreed procedure for the purpose. It was emphasised on behalf of the States Delegation that the existence of such a provision which would place the States on a par with the Provinces for constitutional negotiations, need not necessarily lead to the setting up of a separate Union or Unions of the Indian States. In fact, it was stated that the Indian States would make their fullest contribution towards evolving an Indian Union acceptable to them and to other units in India. Sir Stafford Cripps told the States Delegation that the contingency of a separate Union or Unions of States had not been considered in connection with the draft Declaration, but he personally did not see any fundamental impossibility in the suggestion.
- 58. The Cripps Plan accepted the principle of self-determination but it contained numerous pitfalls which imperilled the future of India. Even more unsatisfactory than the picture of the future that the Plan contained was its niggardly and halting approach to the present. The failure of the Cripps Mission gave a new turn to India's political struggle.

Simla Conference of 1945

59. In spite of the deepening crisis of the war, no further serious effort was made to resolve the political deadlock in India until the Simla Conference of 1945. In view of its limited objective, the States were not invited to this Conference. It turned out to be no more than a repeat performance of the Cripps drama; the usual series of conferences, an occasional flicker of hope, the final veto of communal intransigence and a trail of bitterness and frustration.

Cabinet Mission's Plan

- 60. The assumption of power by Labour in England, the increasing international complications, the aftermath of the war and the growing realisation of the fact that it was impossible to keep under subjection four hundred millions of exasperated people, brought about a change in the British policy towards India. A Parliamentary Delegation visited India in 1945-46 to gain first hand knowledge of the political situation in this country. On 19th February 1946, the Secretary of State for India, Lord Pethick-Lawrence, announced his Government's decision to send a delegation of three Cabinet Ministers to India.
- 61. The Cabinet Mission, which consisted of Lord Pethick-Lawrence, Sir Stafford Cripps and Mr. A. V. Alexander, arrived in India on 23rd March, 1946. In earlier announcements the States had been assured that there was no intention on the part of the Crown to initiate any change in their relationship with the Crown without their consent. It was, however, expected that the consent of the Princes to any changes which might emerge as a result of negotiations would not be unreasonably withheld. In his letter to the Chancellor of the Chamber of Princes, dated 12th May, 1946, Lord Wavell repeated the assurance, that there was no intention of making proposals for the entry of States into the Indian set-up, on any basis other than that of negotiation.
- 62. On 22nd May, 1946, the Cabinet Mission issued the Memorandum-dated May 12, 1946, in regard to States' Treaties and Paramountey (Appendix II); it affirmed that the rights of the States which flowed from their relationship with the Crown would no longer exist and that the rights surrendered by the States to the Paramount Power would revert to the States. The void caused by the lapse of Paramountry was to be filled either by the States entering into a federal relationship with the successor Government or Governments in British India, or by entering into particular political arrangements with it or them. The memorandum also referred

to the desirability of the States, in suitable cases, forming or joining administrative units large enough to enable them to be fitted into the constitutional structure, as also of conducting negotiations with British India in regard to the future regulation of matters of common concern, specially in the economic and financial field.

*63. The Cabinet Mission's Plan announced on 16th May, 1946 (Appendix III), provided for the entry of the States into the proposed Union of India in the following manner:—

- (a) Paramountcy could neither be retained by the British Crown nor transferred to the new Government. But according to the assurance given by the Rulers that they were ready and willing to do so, the States were expected to co-operate in the new development of India.
- (b) The precise form which the co-operation of the States would take must be a matter for negotiation during the building up of the new constitutional structure, and it by no means followed that it would be identical for all the States.
- (c) The States were to retain all subjects and powers other than those ceded to the Union, namely, Foreign Affairs, Defence and Communications.
- (d) In the preliminary stage the States were to be represented on the Constituent Assembly by a Negotiating Committee.
- (e) In the final Constituent Assembly they were to have appropriate representation, not exceeding 93 seats; the method of selection was to be determined by consultation.
- (f) After the Provincial and Group Constitutions had been drawn up by the three Sections of the Constituent Assembly, the representatives of the Sections and the Indian States would reassemble for the purpose of settling the Union constitution.

The plan did not deal with the States in detail and its vague provisions regarding the association of the States with the Constituent Assembly caused some difficulty as regards the stage at which they could come in as regular members of the Constituent Assembly.

64. In its Resolution, dated 24th May 1946, the Congress Working Committee expressed the view that the Constituent Assembly could not be formed by entirely desparate elements and the manner of selecting States'

representatives to the Constituent Assembly must approximate in so far as was possible to the method adopted in the Provinces. However, in the Press Statement issued by the Cabinet Mission on 25th May, 1946, it was reaffirmed that the question of how the States' representatives should be appointed to the Constituent Assembly was not a matter for decision by the Cabinet Mission and was clearly one which must be discussed with the States.

- 65. In his Statement before the House of Lords on 18th July, 1946, Lord Pethick-Lawrence repeated the assurance that it was for the States freely to come in or not as they chose. In a statement made before the House of Commons on 18th July, 1946, Sir Stafford Cripps stated that they would have to be close negotiations between the Negotiating Committee which the States had set up and the major British Indian parties, both as to the representation of the States in the Constituent Assembly and as to their ultimate position in the Union.
- 66. The Standing Committee of the Chamber of Princes in its statement, dated 10th June, 1946, expressed the view that the Plan provided a fair basis for negotiation and subsequently set up a representative committee to negotiate the States' entry into the Constituent Assembly.
- 67. By a resolution passed on 21st December, 1946, the Constituent Assembly appointed a Committee to confer with the Negotiating Committee set up by the Chamber of Provinces for the purpose of
- (a) fixing the distribution of the seats in the Assembly not exceeding 98 in number which in the Cabinet Mission's Statement of 16th May, 1946, were reserved for Indian States; and
- (b) fixing the method by which the representatives of the States should be returned to the Assembly.

The settlement arrived at between the two Committees is embodied in the report, dated 17th April, 1947, of the Committee appointed by the Constituent Assembly.

68. During the course of the negotiations between the two Committees, it was suggested that the British Government's Statement of 20th February, 1947, had introduced an additional element of urgency and that it would be helpful if the States' representatives joined the Assembly during the April, 1947, session. Although the States' Negotiating Committee expressed its inability to adopt such a course in the absence of a mandate

from the General Conference of Rulers, the representatives of the States of Baroda, Cochin, Jaipur, Jodhpur, Bikaner, Patiala and Rewa took their seats in the Assembly on 28th April 1947. Subsequently with the exception of one State, i.e., Hyderabad, all the remaining States entitled to individual representation also sent their representatives to the Constituent Assembly of India. Representatives were also returned in due course by groups consisting of States which did not have individual representation.

His Majesty's Government's Statement of 3rd June, 1947

- 69. His Majesty's Government's Statement of 3rd June, 1947, which superseded the Cabinet Mission's Plan of 16th May, 1946, contained the following reference to the States:—
 - "His Majesty's Government wish to make it clear that the decisions announced above relate only to British India and that their policy towards Indian States contained in the Cabinet Mission Memorandum of 12th May 1946, remains unchanged."
- 70. This Statement was accepted by both the Congress and the Muslim League, and formed the basis of the method of the transfer of power to the successor Governments.

PART IV

ACCESSION OF THE STATES TO THE DOMINION OF INDIA Lapse of Paramountcy

71. Till the lapse of Paramountcy, the Crown as represented by and operating through the Political authorities provided the nexus between the Indian States and the Central and Provincial Governments. The pivot of this arrangement was the Viceroy, who as Crown Representative, represented to the Indian States the suzerainty of the British Crown while at the same time he was, in relation to British India, the head of the Government as Governor-General. The Indian Independence Act. 1947, released the States from all their obligations to the Crown. It was evident that if in consequence the Indian States became separate independent entities there would be a serious vacuum not only with regard to the political relationship between the Central Government and the States, but also in respect of the co-ordination of all-India policies in the economic and other fields. All that the Dominion Government inherited from the Paramount Power was the proviso to Section 7 of the Indian Independence Act, which provided for the continuance, until denounced by either of the parties, of agreements between the Indian States and the Central and Provincial Governments in regard to specified matters, such as Customs, Posts and Telegraphs, etc., (Appendix IV).

States Department

72. It was against this background that the Government of India decided to set up a Department to conduct their relations with the States in matters of common concern.

On 18th June, 1947, the Viceroy, Lord Mountbatten, invited Pandit Nehru, Sardar Patel and Acharya Kripalani (on behalf of the Congress); Mr. Jinnah, Mr. Liaquat Ali Khan, and Sardar Abdur Rab Nishtar (on behalf of the Muslim League); and Sardar Baldev Singh (on behalf of the Sikhs); to attend an informal meeting to discuss the problem of the States. Sir Conrad Corfield (Political Adviser) was also present. Among the agreed conclusions reached at this meeting was the following:—

"That it would be advantageous if the Government of India were to set up a new Department, possibly called the "States Department", to deal with matters of common concern with the States; that, if this were done, the new Department should be divided into two sections, ready for the partition of the country; and that the existing Political Department and the Political Adviser should give all possible assistance and advice in the formation of this new Department''.

79. The above conclusion was considered, in the form of a recommendation, by the Cabinet of the Interim Government at its meeting on 25th June, 1947, and the decision of the Cabinet in that behalf was announced in the Press Communique issued on 27th June, 1947, which read:—

"In order that the successor Governments will each have an organisation to conduct its relations with the Indian States when the Political Department is wound up, His Excellency the Viceroy, in consultation with the Cabinet, has decided to create a new Department called the States Department to deal with matters arising between the Central Government and the Indian States. This Department will be in charge of Sardar Patel, who will work in consultation with Sardar Abdur Rab Nishtar. The new Department will be organised in such a way and its work so distributed that at the appropriate time it can be divided up between the two successor Governments without any dislocation. Mr. V. P. Menon will be the Secretary of the new Department".

Sardar Nishtar was thus nominated as the Muslim League member of the Interim Government to be consulted in the working of the new department: Mr. Ikramullah was appointed Joint Secretary of it. It was intended that with effect from 15th August 1947, they would hold charge of the States Department of Pakistan.

Necessity of a Common Centre

74. The decision to partition India was a violent blow to the political, economic and geographical integrity of India. The unity of what remained as India after the partition was most essential not only for the political strength, full economic development and cultural expression of the Indian people but also for facing the aftermath of the partition. The following quotation from Coupland shows very clearly how vital a necessity this, unity was to the very existence of the Dominion of India:—

"An India deprived of the States would have lost all coherence. For they form a great cruciform barrier separating all four quarters of the country. If no more than the Central Indian States and Hyderabad and Mysore were excluded from the Union, the United Provinces would be almost completely out off from Bombay, and Bombay completely from Sind. The strategic and economic

implications are obvious enough. The practicability of Pakistan must be admitted, but the more the separation of the States from British India is considered, the more impracticable it seems; India would live if its Moslem limbs in the North-West and North-East were amputated, but could it live without its heart?"

75. The first task to which the newly created States Department had to address itself, therefore, was the conserving of the heart of India. This required a common Centre for the whole country including the Indian States, able to function effectively in the Provinces and States alike in matters requiring all-India action.

Sardar Vallabhbhai Patel's Statement of 5th July 1947.

76. On the day the States Department came into being, i.e., 5th July, 1947, the Hon'ble Sardar Patel, Member for States Department, issued an important statement (Appendix V), defining the policy of the Government of India, and inviting the States to accede to the Dominion on the three subjects of Defence, Foreign Affairs and Communications, in which the common interests of the country were involved. He assured the States that it would not be the policy of the States Department to conduct the relations with the States in any manner which sayoured of the domination of one over the other; and that if there would be any domination, it would be the domination of mutual interests and welfare. Sardar Patel expressed the hope that the Indian States would bear in mind that the alternative to cooperation in the general interest was anarchy and chaos which would over-whelm great and small in a common ruin if the States and Provinces were unable to act together in the minimum of common tasks.

77. The position, as it stood when the States Department came into existence, was that the Political Department had already sent to the fullers a draft Standstill Agreement and it was proposed to call a conference of Rulers to finalise the Agreement. But having regard to the paramount necessity of the establishment of a constitutional relationship, however tenuous, between the States and the Dominion, the Government of India felt that a Standstill Agreement would not provide any kind of answer to the problem that confronted them at the time. It was, therefore, decided that the States Department, and not the Political Department, should take charge of the negotiations with the Rulers and that the accession of the States on the three essential subjects of Defence.

External Affairs and Commonuications should be included in the agenda of the proposed Conference.

Special Meeting of Princes on 25th July, 1947

78. The task of conducting negotiations with the Princes was entrusted by the Government of India to Lord Mountbatten, who was then the Crown Representative. Lord Mountbatten called a special full meeting of the Chamber of Princes on 25th July, 1947. (Appendix VI). In the course of his address His Excellency advised the Rulers to accede to the appropriate Dominion in regard to the three subjects of Defence External Affairs and Communications, and assured them that their accession on these subjects would involve no financial liability and that in other matters there would be no encroachment on their internal sovereignty. At the end of the meeting His Excellency announced the personnel of the Negotiating Committee which was set up to negotiate on behalf of the States the terms of their accession to the Dominion of India.

Successful Conclusion of Negotiations

- 79. When one looked back upon the barren course of the protracted infructuous negotiations in connection with the scheme embodied in the Act of 1935 it seemed an impossible task to finalise the accession of the States within a reasonable period, particularly when there was no sanction of paramountcy behind the negotiations. It is worth quoting the Sapru-Committee in this connection:
 - "The experience of the negotiations which Lord Linlithgow inaugurated and conducted between 1936 and 1939 do not encourage the hope that these consultations and investigations can be successfully concluded except with the exercise of infinite patience and after the lapse of several years. To hang up the federal Union of such units as are willing to federate until some State, or a minimum number of States, or the last hesitant State has agreed to accede would be a policy which is calculated to postpone indefinitely the elimination of foreign rule and the achievement of full self-government."
- 80. The impending transfer of full power to a National Government having the will and the sanction of the Indian people behind it, the personal contact between the leaders of public opinion in India and the Rulers of States, rendered possible by the withdrawal of the Paramount Power's previous policy of political isolation of States and the patriotic lead given by some of the leading Princes enabled the Rulers of States to appreciate

that it was both in the interest of Indian States and of the country that the States should become actively associated with the Dominion Government instead of holding a watching brief as it were in the deliberations of the Constituent Assembly. With their valuable assistance and co-operation and the helpful efforts of Lord Mountbatten, negotiations were concluded in a week's time and, barring Hyderabad, Kashmir and Junagadh, all the States in the geographical limits of India had acceded to the Indian Dominion by 15th August 1947.

Instrument of Accession

81. The Instruments of Accession executed by the Rulers (Appendix VII), provided for the accession of States to the Dominion of India on three subjects, namely, Defence, External Affairs and Communications, their content being as defined in List I of Schedule VII to the Government of India Act, 1985. This accession did not imply any financial liability on the part of the acceding States. The Instrument of Accession formulated as a result of the discussions with the Princes was accepted only from the States which exercised full juris 1 tion. The States, in respect of which the Crown Representative exercised certain powers and jurisdiction, signed Instruments of Access on (Appendix VIII), which provided also for the exercise of similar powers and jurisdiction by the Dominion Government.

Standstill Agreement

82. Standstill Agreements, the acceptance of which was made by the Government of India conditional on accession by the States concerned were also entered into between the Dominion Government and the acceding States. The Standstill Agreements (Appendix IX), provided for the continuance for the time being of all subsisting agreements and administrative arrangements in matters of common concern between the States and the Dominion of India or any part thereof.

Significance of Constitutional Relationship between the Indian Dominion and the States

88. The accession of the Indian States to the Dominion of India established a new organic relationship between the States and the Government of India. The constitutional link thus forged proved strong enough to bear the stress of the upheaval through which the country had to pass and enabled the Government of India and the Governments of the States and the Provinces concerned to take concerted and co-ordinated action in relation to matters of common concern.

- 84. The accession of the States to the Dominion of India was a momentous event in India's history. The full significance of this important development can be appreciated only if it is viewed against its most unpropitious background. For over half a century, the States had been a scaled book so far as the leaders of public opinion in British India were concerned. High walls of political isolation had been reared up and buttressed to prevent the infiltration of the urge for freedom and democracy into the Indian States. Disruptive tendencies had been sedulously cultivated and encouraged and proposals for not only one but several Rajasthans were in the air. There were not a few who nursed the hope that, overwhelmed by the combined weight of the partition of India and the disruption of the States, the Government of India would go under.
- 85. In the context of these heavy odds and handicaps, the consummation of the ideal of a federal India, comprising both the Provinces and the States, was no mean achievement. After several centuries India became welded into a constitutional entity.

PART V

Integration

86. The accession of the Indian States to the Dominion of India wasthe first phase of the process of fitting them into the constitutional structure of India. The second phase which rapidly followed, involved a process of two-fold integration, the consolidation of States into size administrative units, and their democratization.

Problem of small States

- 87. The small State had been the most vulnerable link in the chain of the Indian States. In 1938 the problem of consolidating some of the small States into local confederacies for the purpose of not only remedying their administrative deficiency, but also facilitating their inclusion in any federal arrangements applicable to India as a whole was considered, but was eventually dropped as impracticable.
- 88. In March 1939 Lord Linlithgow in his inaugural address to the Chamber of Princes stressed the desirability of the States with limited resources making arrangements for co-operative grouping for administrative purposes. The subject thereafter figured in all Chamber discussions and led to various co-operative grouping arrangements in different regions but these arrangements generally did not go beyond providing for common High-Courts and common advisory staff for the Police force.
- 89. On 16th April, 1943, the Political Department issued a communique announcing the attachment with certain larger States of the small Western. India States which collectively covered an area of 7,000 square miles with a population of 800,000. It announced the important principle that nothing which was not inherently capable of survival should be artificially perpetuated, and that the ultimate test of fitness for the survival of any State was its capacity to secure the welfare of its subjects. All these half-hearted measures hardly touched the fringe of the problem.

Popular Movements in States

- 90. 'Hopes and aspirations', wrote the authors of the Montagu-Chelmstord Report, thirty years ago, 'may overlap fronting like sparks across a street'. The events in the States since 15th August, 1947 have borne out the truth of this statement.
- 91. With the advent of independence, the popular urge in the States for attaining the same measure of freedom as was enjoyed by the people

in the Provinces gained momentum and unleashed strong movements for the transfer of power from the Rulers to the people.

- 92. So far as the larger units were concerned, the democratisation of administration could be a satisfactory solution of their constitutional problem; however in the case of small States, responsible Government would have only proved a farce. The Rulers of the smaller States were in no position to meet the demand for equating the position of their people with that of their countrymen in the Provinces. With the best will in the world, these small units did not have the resources to stand up to popular agitation; nor could they afford the machinery for a self-sufficient and progressive democratic set-up. In some cases, the subversive elements did not hesitate to exploit the situation for their own ends. The result was a serious threat to law and order in the States. The situation, if allowed to deteriorate, would have imperilled peace and good order not only in these States but in the neighbouring Provinces as well. Without doubt the smaller State units could not have continued in modern conditions as separate entities; integration provided the only approach to the problem.
- 93. The immediate objective of the policy of integration was the settlement of the problem of smaller States. As, however, the process of integrating small units in sizeable administrative units gained strength, certain important factors, to which reference is made later, inevitably operated to bring within the compass of this process major States as well.
- 94. The integration of States did not follow a uniform pattern in all cases. Merger of States in the Provinces geographically contiguous to them was one form of integration; the second was the conversion of States into Centrally administered areas; and the third the integration of their territories to create new viable units known as Unions of States. Each of these forms has been adopted according to size, geography and other factors relating to each State or group of States.

In the palagraphs that follow, the results of this three-fold integration—have been set out—not on the basis of the sequence of events, but according to the categories into which the integrated States could be classified.

Provincially-merged States

95. Merger of Orissa and Chhattisgarh States.—The problem of integration was first faced in Orissa where the States formed scattered bits of territory with no geographical contiguity. The political future of these

States had been considered by a Sub-committee appointed by the Simon-Commission. This Sub-committee, which was presided over by Mr. C. R. Attiee, had expressed the view that the Orissa feudatory States should be brought into relationship with any administrative set-up for Orissa. Subsequent committees of inquiry relating to the setting up of Orissa as a separate Province were all of the opinion that the problem of Orissa States could not be divorced from that of the rest of the Province. Nothing, however, was done to implement the recommendations for integrating the Orissa States with the Orissa Province. The problem of the Chhattisgarh States, which were geographically and inguistically linked with the Central Provinces, was similar to that of the Orissa States.

96. It was against this background that in the second week of December, 1947, the Hon'ble Sardar Vallabhbhai Patel visited Cuttack and Nagpur. The interests of the people no less than those of the Rulers of these States as also the wider interests of the country, demanded a direct recourse to the obvious solution of the problem, which had been delayed so long under the old regime. Sardar Patel had long discussions with the Rulers of these States and it was eventually decided to integrate these small States with the adjoining provinces. This important decision, the implementation of which was facilitated by the helpful attitude of the Rulers, securely laid the foundation of the policy of the integration of the small States.

On 16th December, 1947, the Hon'ble Minister for States issued a statement (Appendix X) explaining the background of the Agreement reached with the Rulers of the Orissa and Chhattisgarh States, in the course of which he stressed the following important points:—

- (a) Democratisation of the administration, which had long been the keynote of the Congress policy towards the States, had become a pressing problem since 15th August.
- (b) Democracy and democratic institutions could function efficiently only where the unit to which these were applied could subsist in a fairly autonomous existence. Where on account of smallness of its size, isolation of its situation and inadequacy of its resources, a State was unable to afford a modern system of Government both democratisation and integration were clearly and unmistakably indicated.
- 97. The Orissa and Chhattisgarh States numbering 39 covered an area of about 56,000 square miles with a revenue of rupees 20 millions and a

population of 7 millions. The agreements (Appendix XI) signed by the-Rulers of these States on 14th December, 1947, and subsequent dates, provide for cession by them to the Dominion Government of full and exclusive authority, jurisdiction and powers for, and in relation to, the-governance of their States.

98. The administration of these States was made over to the Governments of Orissa and the Central Provinces on 1st January, 1948. The Ruler of the Central India State of Makrai also later signed a similar agreement and the administration of the State was integrated with that of the Central Provinces with effect from 1st February, 1948. The 25 States which merged with Orissa under these arrangements included Seraikella and Kharsawan. On further consideration, however, it was realised that on account of the situation of these two States as island territories in Singhibhum district it was impossible for any Government other than that responsible for the administration of that District to-administer them effectively. The Government of India accordingly took over from the Government of Orissa the administration of these States and made it over to the Government of Bihar on 18th May, 1948.

99. The only Eastern State which was not affected by the mergernegotiations in December 1947 was Mayurbhanj which had an area of
4,084 square miles and a population of a little under one million. On 17th
October, 1948 the Ruler of this State also signed an Instrument of merger
(Appendix XII); the State was taken over by the Government of India
on 9th November, 1948 and a Chief Commissioner appointed to administer
it. On 1st January, 1949, the State was merged with the Province of
Orissa.

100. Merger of Deccan States.—The merger of the Eastern States gavean impetus to the people of other States with limited resources to seek a similar remedy for their difficulties. The Rulers of Deccan States who had at one time decided to merge their sovereignty in the proposed United Deccan State later decided in favour of the security that integration with a resourceful unit such as the Bombay Province could provide as against the hazards of separate existence as small units. They signed merger agreements (Appendix XIII) on 19th February, 1948, and subsequent dates. In pursuance of these agreements all States in Deccan except. Kolhapur, were administratively integrated with the Province of Bombay in March, 1948. The seventeen Deccan States thus merged in Bombay covered on area of 7,651 square miles with a population of about 1.7 millions and a revenue of about Rs. 14,200,000.

States had been considered by a Sub-committee appointed by the Simon-Commission. This Sub-committee, which was presided over by Mr. C. R. Attiee, had expressed the view that the Orissa feudatory States should be brought into relationship with any administrative set-up for Orissa. Subsequent committees of inquiry relating to the setting up of Orissa as a separate Province were all of the opinion that the problem of Orissa States could not be divorced from that of the rest of the Province. Nothing, however, was done to implement the recommendations for integrating the Orissa States with the Orissa Province. The problem of the Chhattisgarh States, which were geographically and linguistically linked with the Central Provinces, was similar to that of the Orissa States.

96. It was against this background that in the second week of December, 1947, the Hon'ble Sardar Vallabhbhai Patel visited Cuttack and Nagpur. The interests of the people no less than those of the Rulers of these States as also the wider interests of the country, demanded a direct recourse to the obvious solution of the problem, which had been delayed so long under the old regime. Sardar Patel had long discussions with the Rulers of these States and it was eventually decided to integrate these small States with the adjoining provinces. This important decision, the implementation of which was facilitated by the helpful attitude of the Rulers, securely laid the foundation of the policy of the integration of the small States.

On 16th December, 1947, the Hon'ble Minister for States issued a statement (Appendix X) explaining the background of the Agreement reached with the Rulers of the Orissa and Chhattisgarh States, in the course of which he stressed the following important points:—

- (a) Democratisation of the administration, which had long been the keynote of the Cougress policy towards the States, had become a pressing problem since 15th August.
- (b) Democracy and democratic institutions could function efficiently only where the unit to which these were applied could subsist in a fairly autonomous existence. Where on account of smallness of its size, isolation of its situation and inadequacy of its resources, a State was unable to afford a modern system of Government both democratisation and integration were clearly and unmistakably indicated.

97. The Orissa and Chhattisgarh States numbering 39 covered an area of about 56,000 square miles with a revenue of rupees 20 millions and a

population of 7 millions. The agreements (Appendix XI) signed by the Rulers of these States on 14th December, 1947, and subsequent dates, provide for cession by them to the Dominion Government of full and exclusive authority, jurisdiction and powers for, and in relation to, the governance of their States.

98. The administration of these States was made over to the Governments of Orissa and the Central Provinces on 1st January, 1948. The Ruler of the Central India State of Makrai also later signed a similar agreement and the administration of the State was integrated with that of the Central Provinces with effect from 1st February, 1948. The 25 States which merged with Orissa under these arrangements included Seraikella and Kharsawan. On further consideration, however, it was realised that on account of the situation of these two States as island territories in Singhbhum district it was impossible for any Government other than that responsible for the administration of that District to-administer them effectively. The Government of India accordingly took over from the Government of Orissa the administration of these States and made it over to the Government of Bihar on 18th May, 1948.

99. The only Eastern State which was not affected by the merger-negotiations in December 1947 was Mayurbhanj which had an area of 4,084 square miles and a population of a little under one million. On 17th October, 1948 the Ruler of this State also signed an Instrument of merger (Appendix XII); the State was taken over by the Government of India on 9th November, 1948 and a Chief Commissioner appointed to administerit. On 1st January, 1949, the State was merged with the Province of Orissa.

an impetus to the people of other States with limited resources to seek a similar remedy for their difficulties. The Rulers of Deccan States who had at one time decided to merge their sovereignty in the proposed United Deccan State later decided in favour of the security that integration with a resourceful unit such as the Bombay Province could provide as against the hazards of separate existence as small units. They signed merger agreements (Appendix XIII) on 19th February, 1948, and subsequent dates. In pursuance of these agreements all States in Deccan except Kohapur, were administratively integrated with the Province of Bombay in March, 1948. The seventeen Deccan States thus merged in Bombay covered on area of 7,651 square miles with a population of about 1.7 millions and a revenue of about Rs. 14,200,000.

aguare miles and a population of a little over one million. This State was the scene of serious disturbances after the assasination of Mahatma Gandhi. The situation arising out of these disturbances was discussed between the Ruler and the Ministry of States, and as a result of these discussions the Ruler agreed to the appointment of an Administrator nominated by the Government of India. The financial position of the State was found to be unsatisfactory and it became necessary to advance a loan to the State from the Central Revenues. The other Deccan States having already merged with Bombay, the most satisfactory arrangement in respect of the political future of the State appeared to be its administration as part of the Bombay province. An Agreement of Merger (Appendix XIV) was accordingly negotiated with the Ruler of the State and the administration of the State was made over to the Government of Bombay with effect from 1st March, 1949.

102. Merger of Gujarat States .- Another group of States that has merged with the Bombay Province consists of the Gujarat States. The fact that some of these States are situated close to the Indian border made it essential that a stable and efficient administration should be established in this area. The formation of a Union of the Gujarat States by themselves had to be ruled out on account of the fact that these States united together would not have constituted a viable unit. Geographically the territories of these States were interlaced and interspersed with the Baroda State territories and the Ahmedabad and Khera Districts of Bombay. The lack of geographical cohesion also rendered it difficult to unite and integrate the territories of these States into one unit. After prolonged discussions in Bombay, on 17th March, 1948, the Rulers of the jurisdictional Gujarat States agreed that merger with the Bombay Province was the only solution of their constitutional problem. The form of merger agreement was the same as that adopted for Deccan States (Appendix XIII). The total area covered by the States, estates, talukas and thanas in Gujarat numbering 144 (or 289 if the units are subdivided according to the number of the shareholders) was nearly 17,680 square miles, with a population of about 2.7 millions and a total revenue of rupees 16.5 millions. The administration of these States was taken over by the Bombay Government on 10th June, 1948. In November, 1948, the Bombay Government also took over the administration of Danta, a small State in Western Rajputana.

103. The *Dangs* and certain estates formerly included in Vatrak Kantha Thana of the old Baroda Western India and Gujarat States Agency which covered an area of 870 square miles with a population of 48,498 became

part of the Bombay Province under the Governor-General's Order No. 127-P. dated 19th January, 1948 (Appendix XV).

104. Sirohi.—The Government of Bombay took over, on behalf of the Government of India, the administration of the small State of Sirohi with effect from January 5, 1949, in pursuance of an agreement signed by the Regent Maharani on behalf of the minor Ruler (Appendix XVI). There was some difference of opinion as to whether this State should be merged in Bombay or should be integrated in Rajasthan. It was therefore decided that until the future of the State was finally determined, the Bombay Government should conduct its administration on behalf of the Government of India. The position was later reviewed and it was decided to merge Abu Road tehsil and a portion of Dilwara tehsil with Bombay and to integrate the remaining portion in Rajasthan. This decision has been implemented by means of an order under Section 290A of the Government of India Act, 1935, issued in respect of the areas merged into Bombay and a notification under the Extra-Provincial Jurisdiction Act, issued in respect of the areas to be merged into Rajasthan (Appendices XVII and XVIII).

105. Baroda.—Another State, this time a large administrative unit, taken over by the Bombay Government was Baroda which had an area of 8,236 square miles with a population of about 3 millions. Although the State had adequate resources to run and maintain an efficient administration it was divided into several areas interspersed with the territories of Bombay and Kathiawar, and this lack of geographical integrity rendered the administration of the State as one unit very difficult. In accordance with the advice of the Ministry of States and with the concurrence of his own Ministers the Ruler of Baroda agreed to the merger of the State with the Bombay Province and signed the agreement on 21st March, 1949 (Appendix XIX). The administration of the State was taken over by the Bombay Government on May 1, 1949.

106. States Merged in East Punjab.—Loharu, Dujana and Pataudi were tiny States within the boundaries of East Punjab. Geographically and for all administrative purposes these States formed part of East Punjab. The Rulers agreed to merge their States with East Punjab and signed the necessary agreements on 17th February, 3rd March and 18th March, 1948, respectively. The administration of these States was taken over soon after by the East Punjab Government. These three States together form an area of 370 square miles with a population of about 80,000.

107. States Merged in Madras.—Agreements similar to those signed by the Rulers of other smaller States were also signed by the Rulers of Banganapalle and Pudukkottai on 18th and 29th February, 1948, respectively. The territories of these States which formed an area of 1,444 square miles with a population of about 470,000 were interspersed with those of the Madras Province. The administration of the two States was taken over by the Provincial Government on 23rd February and 3rd March, 1948, respectively. Another island State in the Madras Province was Sandur which had an area of only 158 square miles and a population of 15,814. It was clear from the very beginning that this small State had no future except merger with Madras. The Ruler signed the Merger Agreement (Appendix XX) on 1st April, 1949, transferring the administration of the State to the Dominion Government with immediate effect.

108. States Merged in the United Provinces.—The States within the geographical orbit of the United Provinces were merged during the last phase of the process of integration. One of these, Tehri-Garhwal, is situated in the Himalayas bounded on the north by the Himachal Pradesh and the other sides by the Garhwal and Dehra Dun Districts of the United Provinces. The State had an area of 4,516 square miles with a population of about 397,000 and a revenue of about Rs. 3,700,000. For administrative, ethnic and other reasons the State formed a part of the United Provinces. The Ruler and the popular Ministry in office agreed to the merger of the State with the United Provinces. The Merger Agreement (Appendix XXI) was signed by the Ruler on May 18, 1949 and the administration was taken over by the Government of the United Provinces on August 1, 1949.

109. Another State which formed a small enclave within the United Provinces was Benares which had an area of 866 square miles with a population of over 450,000 and a revenue of about Rs. 3,500,000. Subject to suitable safeguards as regards his position in respect of religious ceremonies connected with Kashi, the Ruler was agreeable to the merger of the State with the United Provinces. The Agreement (Annendix XXII) was signed on 5th September, 1949 and the administration of the State was taken over by the Government of the United Provinces on 15th October, 1949.

110. Another State which was almost an island in the United Provinces and had to depend on that Province for all its essential needs was Rampur.

It had an area of 89\$ square miles with a population of 477,000 and a revenue of about rupees ten millions. It was felt that in view of the special set-up of the State and in deference to the wishes of the Ruler, the State should remain under Central administration for some time. The Ruler signed the Instrument of Merger (Appendix XXIII) on 15th May, 1949 and the administration was taken over by a Chief Commissioner on behalf of the Government of India on 1st July, 1949. The administration was carried on in the closest co-operation with the Government of the United Provinces. For obvious reasons the State could not remain indefinitely as a Centrally administered area and with the concurrence of the Ruler it was decided to merge it with the United Provinces; the administration was taken over by the Provincial Government on December 1, 1949.

111. Cooch Behar.—Cooch Behar is situated on the north-east of India bounded on the south by East Bengal, north by Jalpaiguri District of West Bengal and on the west by Assam. It had an area of 1,321 square miles with a population of about 641,000 and a revenue of about Rs. 10 millions. The Merger Agreement (Appendix XXIV) was signed by the Ruler on the 30th August, 1949, and the administration of the State was taken over by a Chief Commissioner on behalf of the Government of India on the 12th September, 1949. After careful consideration of all factors the Government of India reached the conclusion that the best interests of the people of Cooch Behar and of India as a whole will be served by its merger in the Province of West Bengal. This was done with effect from 1st January, 1950, by means of an Order under Section 290A of the Government of India Act. 1985.

112. Khasi Hill States.—The Khasi Hill States on the north-east of India were not affected by the process of integration until the inauguration of the new Constitution. These are for the most part occupied by tribal people. The Rulers were designated as Siems. The succession to the gaddi was not in all cases hereditary; the new Siem was generally elected by the people. Before the 15th August, 1947, the relations of the Crown Representative with the Khasi Hill States were conducted through the Governor of Assam. In practice the administration of the Hill States was in great measure assimilated to that of the Province of Assam partly by the application of the British Indian laws under the Foreign Jurisdiction Order in Council and partly by administrative measures adopted with the concurrence of the Khasi Chiefs.

113. The Khasi Hill States had formed a Federation of their own and had both individually and collectively acceded to the Dominion of India

subject to the provisions of an Agreement. The Instrument of Accession (Appendix XXV) empowered the Dominion Legislature to make laws for the Khasi States in respect of any matter. The Agreement (Appendix XXVI, which formed part of the Instrument of Accession, provided inter alia for unified legislation on subjects of common interest to Assam and the Khasi Hill States. Constitutionally therefore the position of the Khasi Hill States Federation approximated to that of a Chief Commissioner's Province.

114. One solution for these areas was to merge them outright with the surrounding Province of Assam. It was, however, considered desirable to preserve some of the tribal traditions and customs of the Khasi States. Accordingly under the Constitution of India the Khasi States have been included in the Sixth Schedule along with Assam tribal areas. According to the provisions of this Schedule a large measure of local autonomy has been conceded to the District Councils in the tribal areas. With the coming into force of the Constitution of India, the Khasi Hill States, along with the adjoining tribal district of Assam known as 'Jaintia Hill District' have been constituted into a separate autonomous district of Assam known as "United Khasi-Jaintia Hill District".

Centrally Merged States

115. The number of States consolidated as Centrally Administered areas is limited. This form of integration has been adopted only in those cases in which, for administrative or strategic consideration, or for other special reasons, direct Central control over any area has been considered necessary.

Himachal Pradesh

116. A number of Rulers and the Chiefs of the East Punjab Hili States signed on 8th March, 1948, Agreements (Appendix XXVII) ceding to the Dominion Government full and exclusive authority, jurisdiction and powers for and in relation to the governance of their States. Other Rulers signed similar agreements on subsequent dates. Having regard to the wishes of the Rulers and the people of the Hill States that the territories of these States should be consolidated into one unit and the desirability of making available to these areas man-power and wealth-power resources of a large administrative unit, the Government of India integrated these States into a Centrally administered unit known as 'Himachal Pradesh'. The new Province, which comprises the territories

of 21 Hill States, has an area of 10,600 square miles with a population of about 935,000 and a revenue of about Rs. 8.5 millions. It was inaugurated on 15th April, 1948.

Bilaspur

117. The group of East Punjab Hill States included the State of Bilaspur, which had an area of 458 square miles with a population of 110,000. In view of the location in this State of the contemplated Bhakra Dam, which is a project of all-India importance, it was decided to take over the State as a separate Centrally administered unit. In pursuance of an Agreement (Appendix XXVIII signed by the Ruler, the State was taken over under Central administration on 12th October, 1948.

Kutch

administration was Kutch. This State has an area of 17,249 Sq. miles, of which 8,461 miles is inhabited by a population of a little over half a million. The remaining area is occupied by what is known as the Rann of Kutch which is covered by water during most part of the year. In view of the geographical situation of the State and the potentialities of this area, the development of which will require a considerable amount of money as well as technical assistance, which neither the State by itself nor the State of Saurashtra with which it was possible to integrate the State could provide, it was decided that the best solution for this State would be to treat it as a Centrally administered unit. An Agreement (Appendix XXIX) was accordingly signed by the Ruler on 4th May, 1948 and the administration was taken over by a Chief Commissioner on behalf of the Dominion Government on 1st June, 1949.

Bhopal

119. Bhopal was one of the major States taken over for administration by the Centre. Lying almost at the centre of the main system of communications in India, the State had an area of 6,921 square miles with a population of 785,322 and a revenue of about Rs. 13,600,000. The Agreement (Appendix XXX) for merger was signed by the Ruler on April 30, 1949 and the State was taken over by a Chief Commissioner on behalf of the Government of India on June 1, 1949. In deference to the wishes of the Nawab and in view of its central location it has been provided in the agreement that the State will remain under Central administration for at least a period of five years.